



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Memorandum

TO: Administration Committee

DATE: 12/5/2007

FR: Deputy Executive Director, Operations

W.I.:

RE: Investment Report October 2007

In accordance with the adopted investment policy, attached are the comprehensive investment holdings for MTC and all operating units.

Total funds under MTC management approximately \$3.8 billion. A breakdown by fund includes the following:

<u>Fund</u>	<u>Balance (\$ million)</u>	<u>% of Total</u>
BATA RM1*	\$ 1,030.9	27.0%
BATA Debt Service Reserve	\$ 24.2	0.6%
BATA Seismic	\$ 845.9	22.2%
BATA 2007 Bond Proceeds	\$ 957.1	25.1%
BATA RM2	\$ 198.9	5.2%
BAIFA	\$ 548.1	14.4%
MTC	\$ 125.7	3.3%
FasTrak® (Customer Deposits)	\$ 40.3	1.1%
BART Car Exchange Program	\$ 23.7	0.6%
SAFE	\$ 16.3	0.4%
RAFC	\$ 2.2	0.1%
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Portfolio Total	\$	100.0%
	3,813.3	
Net BAIFA	\$	85.6%
	3,265.2	

*includes rehab, reserves, capital, trustee payments

The Bay Area Infrastructure Financing Authority (BAIFA) funds are held in trust for both project and reserve funds that will be used for seismic retrofit purposes. The BART Car Exchange fund is held in trust for future replacement of BART cars.

The portfolio consists mainly of U.S. Government securities. The portfolio breakdown is as follows:

<u>Security Holding</u>	<u>Portfolio Composite</u>	<u>Policy Limits</u>
U.S. Gov't Agencies	73.1%	No limit
Cash	3.1%	No limit
Certificate of Deposit	0.0%	10% portfolio
Commercial Paper	0.5%	10% portfolio
Corporate Bond	0.4%	10% portfolio
Gov't Pools	0.2%	No limit
Mutual Funds	4.1%	20% Portfolio/10% One Fund
Blackrock (BATA Trustee)	9.7%	Trustee Funds – No limit
Cadre (BAIFA)	2.4%	Trustee Funds – No limit
Goldman Sachs (BAIFA)	6.5%	Trustee Funds – No limit
Portfolio Total	100.0%	

Funds held by trustee on behalf of bondholders are subject to permitted investments approved in the issuing documents and are not subject to mutual fund limits as defined in the MTC Investment Policy.

MTC agency holdings include \$45 million (1.2%) in floating rate securities. If there are any questions, please contact Brian Mayhew at (510) 817-5730.

Steve Heminger

SH:SW